GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5427
ANSWERED ON:28.04.2000
BILATERAL TRADE AGREEMENT WITH CHINA
JITENDRA PRASADA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and China have signed a bilateral Trade Agreement which would facilitate China`s entry into World Trade Organisation and provide greater access for Indian export to the vast but restricted to Chinese market;

(b) if so, the details thereof; and

(c) the manner in which the benefits are likely to be accrued to Indian Trade and Commerce from it?

Answer

MINISTER OF COMMERCE & INDUSTRY

(SHRI MURASOLI MARAN)

(a)&(b) Yes, Sir. A bilateral agreement between India and the Peoples Republic of China was signed on 22nd February, 2000 as part of the process of China`s accession to the World Trade Organisation. Under this agreement China agreed to grant India tariff concessions on a number of items of substantial trade interest to us in the Chinese market. Besides, it was also agreed to take steps to lift some of the non-tariff barriers to trade for products identified by us in the Chinese market. These concessions have been granted on a non-reciprocal basis and would become effective on the accession of China to the World Trade Organisation.

(c) The agreement, involving tariff concessions and steps to remove non-tariff barriers to trade, is expected to help increase bilateral trade. Enhanced bilateral cooperation and the entry of China to WTO are expected to have positive impact on world trade flows in general, which may have implications for India`s trade prospects as well.